



North Carolina District Review

U.S. Small Business Administration, 6302 Fairview Road, Suite 300, Charlotte, NC 28210
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JULY, 2004

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MOST ACTIVE LENDER RANKINGS **FY 2004 YTD**

October 1, 2003 – June 30, 2004

LENDERS

	<u>7(a)</u>	<u>504</u>	<u>Total</u>	<u>\$ Amount Millions</u>
Large Banks				
1. Bank of America	216	4	220	\$7.8*
2. Capital One	111	0	111	\$4.7
3. Wachovia Bank	51	2	53	\$24.0
4. Innovative Bank	51	0	51	\$0.35
5. First Citizens Bank & Trust Co.	30	9	39	\$8.7
Community Banks				
1. Bank of Granite	39	5	44	\$10.8
2. Surrey Bank & Trust Company	42	0	42	\$6.0
3. Southern Bank & Trust Co.	16	1	17	\$2.4
4. Fidelity Bank	12	2	14	\$2.5
Small Business Lending Companies				
1. CIT Small Business Lending Corporation	35	0	35	\$18.2
2. Self-Help Credit Union	27	0	27	\$2.2
Certified Development Companies				
1. Self-Help Ventures Fund		26	26	\$13.9
2. Business Expansion Funding Corp. (formerly Charlotte CDC)		22	22	\$9.5
3. Centralina Development Corporation		21	21	\$9.0

*The \$ amount reported last month was incorrect. It should have been \$6.8 million.

NC DISTRICT OFFICE CELEBRATES BEST MONTH EVER

The SBA North Carolina District Office guaranteed more loans in June 2004 than any previous month with **132** loans. This breaks the record of 124 loans approved during September 2003.

During the first three quarters of FY 2004, NC District Office approved **914 loans**. This represents a **39% increase** over the first three quarters of FY 2003.

District Director Lee Cornelison attributes these increases to North Carolina lenders who have embraced SBA's loan guarantee programs for the benefit of their small business customers.

"The SBAExpress loan has been especially popular and we are enthusiastic about its benefits for banks and for small business. The NC District staff, including new representatives in Asheville, Raleigh and Wilmington continue to make their efforts to raise bank awareness of SBA's loan programs."

2004 NORTH CAROLINA SBA LENDERS ROUNDTABLES

SBA's Southeast Regional Administrator, Ms. Nuby Fowler invited North Carolina lenders to SBA Lenders Roundtables in Asheville, Charlotte and Raleigh. The events provided an open discussion of issues important to SBA lenders.

"We have shared your comments and suggestions with SBA's top managers and policy makers," said North Carolina District Director, Lee Cornelison. "With this information better decisions can be made concerning the programs and services that impact you and your small business clients."

Topics included the current status of loan programs, to increasing participation in SBA programs and SBA Transformation, among others. We'd like to thank all attendees for their candid exchange of ideas and suggestions.



***Asheville Roundtable** Seated, from left: Holly Decker of BB&T, Southeast Regional Administrator Nuby Fowler, and Self-Help Credit Union Director Joyce Harrison. Standing, from left: David Hayes of BB&T, Brian Renfro and Chris Burns of Macon Bank, and SBA North Carolina District Director Lee Cornelison.*

POLICY CHANGES AND CLARIFICATIONS

Ensuring Accuracy of Electronic Versions of SBA Forms (SBA Information Notice 9000-1529)

All lenders should take steps to ensure that electronic versions of SBA forms are exact reproductions of the original forms.

Recently, SBA's Office of Inspector General (OIG) found a company which supplies software to lenders to allow creation of electronic SBA forms was providing an inaccurate version of Form 912, Statement of Personal History. Form 912, which was revised in October 2003, is used to make character and credit eligibility decisions in determining whether to guarantee or make a loan.

These problems were so significant that they could result in loans being provided to ineligible applicants. After learning of the inaccuracies, the company that provided the software corrected the problem and notified its clients of the correction.

SBA regulations state as follows:

Any Applicant or Participant may use computer generated SBA application forms, closing forms, and other forms designated by SBA **if the forms are exact reproductions of SBA forms**. (13 C.F.R. § 120.194; emphasis added)

In addition, the regulations governing denial of 7(a) loan guarantees provide that "SBA is released from liability on a loan guarantee (in whole or in part, within SBA's exclusive discretion), if ... [t]he Lender has failed to use required SBA forms **or exact electronic copies**" 13 C.F.R. § 120.524(a)(9) (emphasis added).

Lenders should report any inaccuracies to the NC District Office Finance Division.

SBA Forms are available to SBA employees under "Forms" at <http://yes.sba.gov/> and to the public under "Financial Assistance Forms" at <http://www.sba.gov/library/forms.html>). If lenders or CDCs have any questions regarding this Notice, they should contact their local District Office.

Reminder to Cancel Undisbursed Loans (SBA Information Notice 5000-923)

SBA has received some inquiries from lenders about the procedures for canceling loans that the lender has determined will not be disbursed. If loans that were approved within the current fiscal year are cancelled within the same fiscal year, those funds again become available for new loan approvals within the fiscal year.

SOP 50 10(4), Chapter 6, para. 9.a. describes the procedures to cancel loans as follows:

a. What Is The Procedure for Canceling Loans?

Upon receipt of a written request from the participant, SBA may cancel an approved loan in accordance with the delegation of authority and the rule of two.

Questions? Contact the NC District Finance Division or your local representative.

LENDER RANKING LIST

Want to see how your bank/organization compares with other SBA lenders? We have added a comprehensive year-to-date loan summary by lender at the end of this newsletter. See pages 7-8.

LENDERS SBA WEB SITE – “www.sba.gov/banking”

SBA website contains complete information on all SBA loan programs, all SBA Forms, Policy and Procedural Notices, SBA Regulations and Standard Operating Procedures. You also will find the standardized 7(a) Loan Authorization and information on 1502 reporting procedures. This is intended to be a one-stop site; however if other information is needed or would be beneficial to you as a lender, please let us know.

MONTHLY LENDER WORKSHOPS

The NC District Office will conduct **Lender Workshops** from 9:00 a.m. until 12:15 p.m. on the **second Wednesday of each month** at the **Charlotte, Raleigh, Wilmington** and **Asheville** offices. See below for upcoming dates.

The workshops focus on SBA Loan Programs and borrower eligibility. Walk-ins are welcome, but the presenter appreciates knowing in advance if you are planning to come. To register, call Celia Rolls at (704) 344-6810 for Charlotte, Ivan Hankins at (919) 851-1891 for Raleigh Area, Mike Arriola at (828) 225-1844 for Asheville or Arline Brex at (910) 202-0494 for Wilmington.

Remaining 2004 Dates	
August 11	November 10
September 15	December 15
October 13	

REMINDER: SBA DAYS

If you have clients who would be interested in learning more about SBA's programs, they can schedule a 30 minute, one-on-one information session with an SBA Representative. Call to make an appointment at the following locations:

Sponsor	Location	Day	Hours	Phone Number
Watauga JobLink Center	Boone	Second Thursday	10 a.m.-3 p.m.	828-265-5385
Cary Chamber	Cary	Third Wednesday	10 a.m.- 2 p.m.	919-467-1016
SBA	Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gaston Co. Chamber	Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro Chamber	Greensboro	First Tuesday	10 a.m.- 2 p.m.	336-510-1234
Henderson Co. Chamber	Hendersonville	Third Friday	10 a.m.- 2 p.m.	828-692-1413
Catawba Co. Chamber	Hickory	Third Tuesday	10 a.m.- 2 p.m.	828-328-6000
Mooresville Chamber	Mooresville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Rowan Co. Chamber	Salisbury	Fourth Wednesday	9:30 a.m.-2 p.m.	704-633-4221

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SUBSCRIBE TO “SBA LENDER UPDATE”

Lenders may receive “SBA LENDER UPDATE”, a message which will contain breaking news about SBA Lending Programs, via e-mail by signing up on SBA’s LISTSERV.

“SBA LENDER UPDATE” is used to broadcast late breaking news regarding the Agency’s lending programs. SBA does not send SPAM (i.e., unsolicited mass e-mails), therefore LISTSERV allows people to **voluntarily** subscribe to receive agency e-mail.

To subscribe simply go to the following LISTSERV web site:

<http://www.sba.gov/banking/listserv.html>.

Subscribers will receive an e-mail confirmation, which they must respond to within 48 hours. This precautionary measure ensures that someone else did not subscribe for them and that they truly want to receive the information.

NC DISTRICT OFFICE LENDER CONTACTS

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Cecelia Rolls	(704) 344-6810	cecelia.rolls@sba.gov

ASHEVILLE & WESTERN NC

Mike Arriola	(828) 225-1844	michael.arriola@sba.gov
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RALEIGH/DURHAM & NORTHEASTERN NC

Ivan Hankins	(919) 851-1891	ivan.hankins@sba.gov
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WILMINGTON & EASTERN NC

Arline Brex	(910) 202-0494	arline.brex@sba.gov
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SBA North Carolina District Loan Approvals October 1, 2003 - June 30, 2004

504

<u>Lender</u>	<u>7(a)</u>	<u>Particip.</u>	<u>Total</u>	<u>Total \$ 7(a) + 504</u>
Bank of America	216	4	220	\$ 7,832,765
Capital One	111	0	111	\$ 4,735,000
Wachovia Bank	51	2	53	\$ 24,040,500
Innovative	51	0	51	\$ 350,000
Bank of Granite	39	5	44	\$ 10,873,175
Surrey Bank	42	0	42	\$ 6,015,700
First Citizens	30	9	39	\$ 8,772,225
CIT	35	0	35	\$ 18,299,200
Self-Help Credit Union	27	0	27	\$ 2,270,600
BB&T	20	7	27	\$ 10,579,500
Southern Bank & Trust	16	1	17	\$ 2,192,450
SouthTrust Bank	14	2	16	\$ 3,077,600
Fidelity	12	2	14	\$ 2,598,200
Comerica	13	0	13	\$ 6,356,100
Bank of Stanly	11	0	11	\$ 1,225,100
Goleta	11	0	11	\$ 2,215,800
Sound Bank	10	0	10	\$ 1,000,600
Business Loan Center	9	1	10	\$ 7,926,506
First National Bank of Shelby	7	2	9	\$ 1,429,750
Central Carolina Bank	3	6	9	\$ 4,041,500
GE Capital	2	6	8	\$ 4,455,200
Community South	7	0	7	\$ 6,158,000
Capital Bank	5	1	6	\$ 5,674,000
California Bank	6	0	6	\$ 952,500
Carolina Bank	5	0	5	\$ 1,304,000
CNL	5	0	5	\$ 2,156,200
Four Oaks Bank	5	0	5	\$ 1,059,600
Bank of the Carolinas	4	0	4	\$ 390,000
First South Bank	4	0	4	\$ 1,450,000
Coastal Federal	4	0	4	\$ 655,000
First Community	3	0	3	\$ 765,000
Independence	3	0	3	\$ 308,000
Scottish Bank	2	1	3	\$ 516,500
First Bank	3	0	3	\$ 406,000
First Gaston	3	0	3	\$ 520,000
First National Bank & Trust	2	1	3	\$ 1,262,250
New Century Bank	2	1	3	\$ 1,325,000
Cardinal State	2	0	2	\$ 210,000
Southern Community Bank	2	0	2	\$ 300,000
Sun Trust	2	0	2	\$ 1,372,500
East Carolina Bank	2	0	2	\$ 375,000
Unizan	2	0	2	\$ 2,666,000
Catawba Valley Bank	2	0	2	\$ 525,000
FNB Southeast	1	1	2	\$ 943,000
Coastal Federal CU	1	0	1	\$ 60,000
Macon Bank	1	0	1	\$ 125,000
Mechanics & Farmers Bank	1	0	1	\$ 76,500
Mutual Community Bank	1	0	1	\$ 150,000
Peoples Bank	1	0	1	\$ 500,000
Piedmont Bank	1	0	1	\$ 150,000

**SBA North Carolina District Loan Approvals October 1, 2003 - June 30, 2004
(continued)**

Pitney Bowes	1	0	1	\$ 1,265,000
Randolph Bank & Trust	1	0	1	\$ 110,000
Bank of Asheville	1	0	1	\$ 41,000
Heritage Bank	1	0	1	\$ 622,000
Washington Mutual	1	0	1	\$ 405,000
Planters Bank	1	0	1	\$ 100,000
Business Carolina, Inc.	1	0	1	\$ 132,000
Cabarrus Bank	1	0	1	\$ 125,000
First National Bank	1	0	1	\$ 1,075,000
Asheville Saving Bank	1	0	1	\$ 41,000
American Express Centurion	1	0	1	\$ 15,000

Total 7(a) Loans 823

504 CDC Loans

\$ Amount

Self Help Ventures Fund			26	\$ 13,902,000
BEFCO (formerly Charlotte CDC)			22	\$ 9,528,000
Centralina			21	\$ 9,071,000
Wilmington Indus. Dev.			6	\$ 2,646,000
Northwest Piedmont Dev.			5	\$ 1,984,000
Region D. Dev.			3	\$ 673,000
Smoky Mountain Dev			3	\$ 1,345,000
Asheville Buncombe Dev.			2	\$ 577,000
Neuse River Dev.			1	\$ 197,000
Region E Dev.			1	\$ 229,000
Region C Dev.			1	\$ 152,000

Total 504 Loans 91